IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

CERTIFIED MEASUREMENT, LLC,

Plaintiff

vs.

Civil Action No. 2:14-cv-627

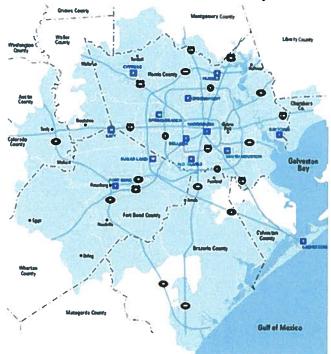
ELECTRIC, LLC, and ITRON, INC.,

Defendants.

DECLARATION OF KENNETH M. MERCADO IN SUPPORT OF DEFENDANTS' MOTION TO TRANSFER VENUE TO THE HOUSTON DIVISION OF THE SOUTHERN DISTRICT OF TEXAS

- I, Kenneth M. Mercado, declare:
- 1. I make this declaration in support of Defendants' Motion to Transfer Venue on the basis of personal knowledge, and if called to testify as a witness, I would and could testify competently hereto.
- 2. I am Senior Vice President for Electrical Operations for Defendant CenterPoint Energy Houston Electric, LLC ("CenterPoint"). I have personal knowledge of the facts asserted herein unless otherwise indicated.
- 3. CenterPoint is an electric transmission and distribution utility incorporated in Texas. CenterPoint's headquarters and principal place of business is in Houston, Texas.
- 4. CenterPoint is a subsidiary of CenterPoint Energy, Inc., also headquartered in Houston, Texas.
- 5. More than 70% of CenterPoint's 2,568 employees work in Harris County. I understand that the remaining CenterPoint employees work in Galveston, Fort Bent and Brazoria Counties.

- 6. CenterPoint has no offices or employees in Marshall, Texas, or what I understand to be the Eastern District of Texas.
- 7. I am not aware of any person who resides in the Eastern District of Texas who has information relevant to this case.
- 8. I understand that Plaintiff, Certified Measurement, LLC, alleges that CenterPoint's Energy InSight system infringes U.S. Patent Nos. 5,828,751; 6,282,648; 6,289,453; and 8,549,310.
- 9. CenterPoint uses the Energy InSight system to send and receive information relating to electricity use to and from customers and CenterPoint's service centers. Deployment of the Energy InSight system is limited to CenterPoint's Houston service territory. The following map shows the location of CenterPoint's service territory and service centers:



10. The development, marketing and sales activities for the Energy InSight system took place primarily in Houston. The CenterPoint witnesses most knowledgeable about the facts pertinent to plaintiff's claims work and reside in the Houston area. For example, I expect that Dale Tinnin, who is familiar with the accused OpenWay meters, and Susan Neel, who is familiar

with the data that is gathered, will be witnesses for CenterPoint. Both work at our Houston headquarters.

- 11. Virtually all of CenterPoint's business documents and records relating to the development, marketing and sales for the Energy InSight system are maintained in Houston. CenterPoint is not aware of any relevant documents located in the Eastern District of Texas.
- 12. It would be much more burdensome for CenterPoint employees to attend trial or other proceedings in Marshall, Texas as compared to Houston, Texas. The Houston courthouse within the Southern District of Texas is less than one mile from CenterPoint's headquarters. Travel to Marshall, Texas would require CenterPoint's witnesses to be away from their jobs and would require significantly greater travel time and expense.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct

EXECUTED this 25 day of July, 2014.

Kenneth M. Mercado